

PRELIMINARY REDEVELOPMENT PLAN

TAHOE CITY GATEWAY

Prepared for: Tahoe Regional Planning Agency

Prepared by: Placer County Redevelopment Agency

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PRELIMINARY REDEVELOPMENT PLAN

TAHOE CITY/GATEWAY

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PRELIMINARY REDEVELOPMENT PLAN TAHOE CITY/GATEWAY

General Overview

Proposed Preliminary Redevelopment Plans are submitted to the Tahoe Regional Planning Agency (TRPA) pursuant to Chapter 15 of the TRPA Code of Ordinances (§15.10) (“Chapter 15”).

The Placer County Redevelopment Agency intends to submit final Redevelopment Plans for future TRPA approval after the new Regional Plan is adopted sometime over the next three to five years. These plan areas are: Kings Beach/Stateline, Tahoe Vista, Lake Forest, and, Tahoe City/Gateway. Plans for these areas will be submitted separately in accordance with TRPA’s Code of Ordinances-Chapter 15 (Chapter 15). Chapter 15 provides the opportunity for Placer County to undertake redevelopment programs within TRPA defined redevelopment areas that are found to be urbanized, blighted, and environmentally threatened.

These Preliminary Redevelopment Plans are conceptual policy and program documents; they do not identify specific project locations nor propose specific activities. They do present a discussion on the intent to study and explore certain targeted redevelopment activities that will focus and enhance the goals and objectives of the updated Regional Plan.

It is our understanding that under the new Regional Plan TRPA may provide land use incentives in TRPA redevelopment areas in order to promote the construction of environmental improvement projects. If so, the Placer County Redevelopment Agency submits these Preliminary Plans with the intent to qualify for such land use considerations.

Background

While Tahoe City does not suffer from the same type of blight conditions as some other communities in North Lake Tahoe, of greatest concern in Tahoe City is the retail stagnation. Generally, a more subtle and growing problem is economic malaise associated with the loss of its longtime resident base and the economic fluctuations that are brought about by increasing seasonality. Economically, like other communities in North Lake Tahoe, the commercial district in Tahoe City reflects neglected properties in prime locations along Hwy 28, including dilapidated structures and outdated facilities.

The new streetscape improvements have been successful in promoting increased pedestrian activity in the commercial core. However, forced to compete with Squaw Valley and Northstar resorts local businesses have struggled for survival. Some have abandoned their properties leaving them vacant and blighted, while others have tried to upgrade their properties in hopes of attracting customers and tenants. The result is that dedicated land owners are forced to survive adjacent to properties that are either abandoned or in disrepair. These conditions also environmentally threaten Lake Tahoe’s clarity and beauty, which is compromised due to storm water run-off and pollution.

Preliminary Redevelopment Plan:
TAHOE CITY/GATEWAY

Section I - (15.10.B (2))

A description of the proposed redevelopment plan area boundaries and project area boundaries including a preliminary determination of which areas are blighted and urbanized

Tahoe City/Gateway - Project Area Boundaries (See Exhibit J)

Introduction

The redevelopment area boundary proposed in this report is consistent, and within the North Lake Tahoe Redevelopment Project Area adopted by the Placer County Board of Supervisors, under California Law on July 16, 1996. However, the proposed Preliminary Tahoe City/Gateway Redevelopment Plan area is smaller than the current California redevelopment area.

Community Description

For purposes of this Tahoe City/Gateway Redevelopment Plan area, the community is defined as that area roughly beginning at the western edge of Rocky Ridge Road Plan Area Statement on the east to roughly the entrance to Tahoe City on the west; Olympic drive on the south. on Highway 28 to just south of the Wye along Highway 89 and the Tahoe City Golf Course to Lake Tahoe. The Area also includes that land identified at 001B – Commercial / Public Service northeast of the Tahoe City Golf Course. The Gateway section runs along State Route 89 as an off highway turn in, north of Twin Crags Road. State Route 28 runs through the center of the community and is the focus of commercial, residential and recreational activity.

The Tahoe City/Gateway Area consists of approximately 335 acres. The Gateway portion includes the small commercial strip between Alpine Meadows and Tahoe City along the north side of Highway 89 consisting of approximately 41 acres.

The proposed redevelopment plan in Placer County will incorporate the land use guides promoted in the updated Regional Plan. Due to the blighted condition of the properties in the proposed plan, planned land uses will align with Regional Plan goals. Land uses will exemplify development that promotes mixed-use development with a focus on creating uses that will be concentrated and encourage the use of public transportation, bicycles and walking. Live-work environments will be promoted and incentivized.

These areas were chosen because of the blighted economic and social conditions as well as the critical physical conditions leading to a lack of water quality BMPs, untreated storm water runoff, contaminated soils, over-covered land patterns, substandard housing, haphazard parking, and scenic blight. (See Adverse Conditions Study – Appendix).

EXHIBIT J



TAHOE CITY/GATEWAY AREA -- PROPOSED UNDER CHAPTER 15

Section II - (15.10.B (3))

A general statement of the proposed land uses, anticipated development, proposed targets and objectives related to attainment and maintenance of environmental thresholds, layout of the principal streets and transportation patterns, and a general description of the standards to be used for redevelopment of the area.

Land Use Plan

This section provides an overview of the proposed vision planned for the Preliminary Tahoe City/Gateway Redevelopment Plan. Additional descriptions of the environmental settings and land use elements will be discussed in detail at the time of project submittal.

Tahoe City / Tahoe City Gateway Area

This area is non-contiguous and includes parcels along Highway 28 and Highway 89 (Gateway). The community overall lacks strong organizational and land use principles resulting in social and economic maladjustment on certain parcels, a highly visible example of this is the Tahoe City Golf Course. While this could be a major community contribution, it is currently isolated, located behind a series of underutilized buildings and service areas.

Anticipated Development (See Exhibit K)

Open Space Preserve

There are large parcels of land located at the Tahoe City Golf Course that are in a Stream Environment Zone (SEZ) or have soil capability that renders them undevelopable. This Plan will examine the possibility of a land/nature preserve that includes upgraded BMPs and ensures ongoing maintenance.

See also Commercial Development, below.

Commercial Development

In addition to the parcels identified at the Tahoe City Golf Course as SEZ (see above), the location also contains large parcels which lend themselves to compact, mixed-use development. It is planned that under the Regional Plan update, land use designations would allow for resort or hotel development that meet the goals of the applicable transect.

The designated Tahoe City redevelopment area parcels suffer from under utilized commercial structures located in the urban center. Additionally, the Tahoe City Golf Course, a major land holding, suffers from the inability to incentivize private dollars to invest in renovating the environmental and economical infrastructure. Its current condition continues to worsen its environmental downward spiral.

In targeted areas located in the Town Center, the “Wye”, and the land adjacent to the dam and Fanny Bridge, there are opportunities for recreation and support retail. Acquisition of land and easements to create an open space link from the Tahoe City Marina to the Fanny Bridge State Recreation Area would open up opportunities for private development and the installation of modern BMPs.

The Tahoe City Gateway has restrictive commercial land uses due to the current local regulatory codes.

Workforce Housing

Explore opportunities for infill new construction and rehabilitated housing. The Placer County Redevelopment Agency will promote its affordable housing rehabilitation loan program where appropriate in Tahoe City, as well as examine the feasibility to construct new affordable workforce housing in Tahoe City Industrial Plan Area Statement 001B.

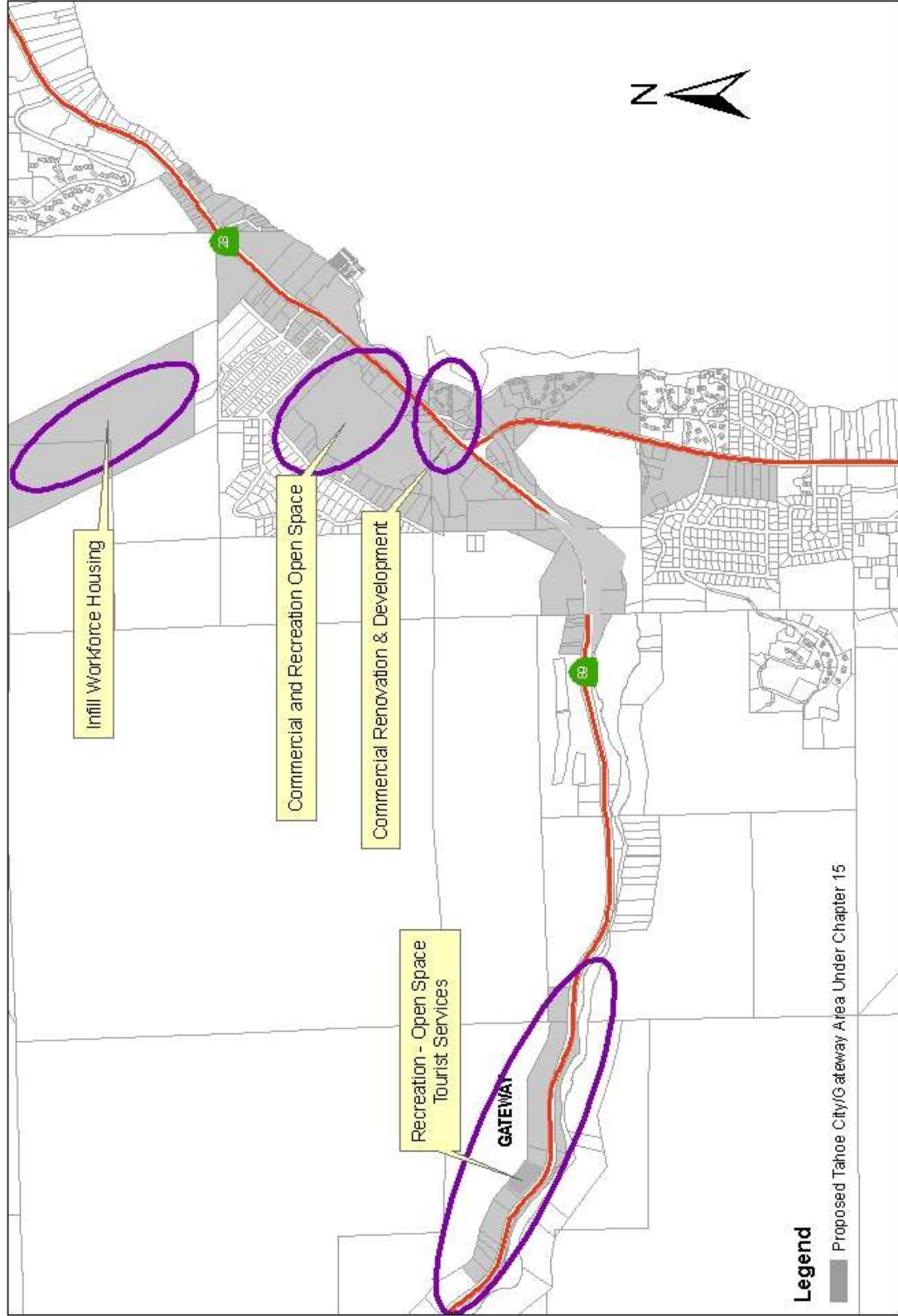
Attainment & Maintenance of Environmental Thresholds - Targets and Objectives

It is the goal of this plan to implement orderly growth and development consistent with the threshold carrying capacities identified through the adoption of the new Regional Plan. Infrastructure improvements will cover a variety of public works projects ranging from correcting and installing utilities, traffic capacity projects, accommodations for transit options, storm drainage, sewers, soil stabilization, etc.

The proposed redevelopment plan is targeted to the highest and most critical environmental improvement projects that will lead to the greatest benefit over the shortest period of time for the overall community. It is determined that the most efficient and effective use of public and private dollars is to focus on the objectives of the environmental improvement program as the standard for Plan evaluation.

As projects come forward for development approval they will be measured against the approved five –year environmental improvement project list. The Placer County Redevelopment Agency will provide assistance to private property owners in achieving pertinent thresholds within the proposed redevelopment area.

EXHIBIT K



TAHOE CITY/GATEWAY AREA -- PROPOSED UNDER CHAPTER 15
CONCEPTUAL DEVELOPMENT

Transportation Patterns

SR 28 is the link between central Tahoe City and the Tahoe City Gateway. It has a terminus at the Wye where it meets SR 89. SR 89 is the major link between Tahoe City and South Lake Tahoe along the west shore of the Lake.

General Description of Redevelopment Standards

The pristine nature and fragility of the environment of North Lake Tahoe require tight controls on development. The standards that will be used for the implementation of the Preliminary Tahoe City/Gateway Redevelopment Plan area are:

1. The project must result in the upgrading and renovation of the communities' existing building stock, and where possible, reduce the dilapidated building stock contributing to the degradation of Lake Tahoe.
2. Provisions must be made for providing affordable workforce housing in the immediate vicinity of projects, or provisions made to expand alternative public transportation to link housing with jobs and community services.
3. Redevelopment activities must result in development that is both economically attractive to private developers and will achieve and sustain correction of environmental damage to Lake Tahoe through the Achievement Activities of environmental thresholds.
4. Consideration of any substantial redevelopment undertaking must have input from the community affected by the proposed activity.

Section III - (15.10.B (4))

A general statement of how the proposed redevelopment plan conforms to the provisions of the Goals and Policies, the transects, the applicable plan area statements, the Code, and the environmental thresholds.

Conformity with Placer County and TRPA Goals, Policies, Code and Thresholds

The Redevelopment Plan for the proposed Tahoe City/Gateway community will be consistent with the Placer County General Plan, the Tahoe City General Plan, transects for areas outside community plan areas, and the Regional Plan for the Lake Tahoe Basin in effect at the time of final Redevelopment Plan approval.

Goals & Policies

The Redevelopment Agency agrees to support and promote Placer County and TRPA's goals to maintain the significant scenic, recreational, educational, scientific, natural and public health values provided by the Region, through its development projects.

Balancing sustainable development with the above will encourage the wise use of Lake Tahoe and the resources of the area, preserve public and private investments in the community, and preserve the social and economic health of the region.

Placer County Zoning Ordinance & TRPA Code of Ordinances

The TRPA Code of Ordinances (Code) is a compilation of land use and environmental regulations for the Lake Tahoe Basin. The Redevelopment Agency's Tahoe City/Gateway Preliminary Redevelopment Plan is in conformity with the Code.

All projects are subject to TRPA (in accordance with Chapter Four of the Code) and Placer County review. To ensure effective and efficient coordination, the Code and the Placer County Zoning Ordinance shall apply to building modifications, expansions and repairs. When a conflict presents itself, the most restrictive ordinance shall apply.

Environmental Improvement Program

The TRPA Environmental Improvement Program (EIP) encompasses hundreds of capital improvement, research, program support, and maintenance projects designed to restore and protect Lake Tahoe's clarity.

Placer County is partner with TRPA in constructing and maintaining EIP projects of mutual benefit. Over a twenty-year period Placer County is committed to develop and construct public improvements

Thresholds

Thresholds are environmental standards adopted by TRPA to help protect Lake Tahoe. These thresholds are designed to reflect the inter-connected nature of the environment, the economy and the community's social well-being.

The environmental threshold carrying capacities and standards for the Lake Tahoe Basin essentially define the capacity of the Region to accommodate additional land development. Threshold indicators are used as the measures of success of attaining environmental health in the region.

Placer County has identified a list of environmental improvement projects in the Tahoe City/Gateway community that address the thresholds and move forward the EIP.

EIP PROJECT NO.	EIP THRESHOLD	PROJECT NAME	DESCRIPTION
TAHOE CITY/GATEWAY			
254,231 & 796.1	Water Quality	Tahoe City Residential ECP	Water quality improvements and treatment of public ROW runoff
220.3	Water Quality	Lower Ward Valley	Water quality improvements and treatment of public ROW runoff
856	Air Quality	Tahoe City Transit Center	Participation in ongoing O&M of built facilities

Threshold Achievement Criteria:

1. Projects seeking consideration under the provisions of the Plan, must contribute to the implementation of one, or more, of the Environmental Improvement Program projects above.
2. All contribution determinations and calculations shall be made by the Placer County Department of Public Works.
3. Improvement of public or private facilities, provisions of added open spaces, construction of BMPs in conformance with environmental carrying capacities established by TRPA.
4. Use of rehabilitation and façade improvement loans and grants to leverage private investment and improve commercial building conditions.

5. Implementation of a public improvement program including road grading, patching and paving; curb, gutter and sidewalk construction; and storm drain installation.
6. Potential participation in operation and maintenance of public improvements related to air and water quality through funding contribution and / or providing those services for Public Works determined projects.

Section IV - (15.10.B (5))

A general description of the provisions for existing and new affordable housing and the expected impact of the proposed redevelopment plan on the residents of the redevelopment plan area and surrounding neighborhoods

Description of Provisions for Workforce Housing and Community Impacts

Lake Tahoe is a unique and complex regulatory environment where development of affordable housing is a challenge on a number of levels. Housing affordability pressures are particularly visible on the North Shore where the lack of current decent housing supply available for area workers appears to have provided the opportunity for property owners to rent their units to workers willing to live in substandard and overcrowded conditions.

Clearly, the need for affordable housing outpaces the available land and local state and federal dollars necessary for development. The Agency will continue on its path as defined under California Law with the North Lake Tahoe Redevelopment Project Area to expand and improve the supply of affordable housing. The impact on the redevelopment plan area and surrounding neighborhoods will be positive in nature as the Agency will continue to promote affordable housing and workforce housing opportunities for the residents and workforce of the North Lake Tahoe Area.

The TRPA Code of Ordinances establishes specific regulations and thresholds for, among other things, land use, density, rate of growth, and land coverage. TRPA has adopted programs to address the need for workforce housing units in which certain housing developments may obtain special consideration from TRPA's allocation requirements.

In addition to a unique land use regulatory environment, Lake Tahoe has additional challenges to the creation and maintenance of affordable housing including a large seasonal tourist population and a substantial second-residence population that limits access to permanent affordable housing units. Dean Runyan Associates prepared The Economic Significance of Travel to the North Lake Tahoe Area, 1997-2002 Detailed Visitor Impact Estimates in December 2003, which noted that nearly 6 in 10 housing units in the Lake Tahoe Basin are vacation homes classified for seasonal, recreational, or occasional use.

In 2001, Placer County adopted an Inclusionary Housing Ordinance, which requires residential developers in the Area to set aside 15% of the units built as affordable to very low and moderate-income households. Redevelopment inclusionary housing units require a 45 year or 55 year long-term affordability covenant be recorded against the property for either for – sale or rental units respectively.

BREAKDOWN OF AFFORDABILITY LEVELS		
Affordability Category	Percent of Median Income	Maximum earnings for a family of four
Very Low	31% - 50%	\$36,400
Low	51% - 80%	\$58,250
Moderate	81% - 110%	\$80,080

Source: State of California, Housing and Community Development 2009 income limits.

Program Description

The Agency plans to continue to work with developers by providing gap financing to construct new affordable rental or ownership units, rehabilitating or reconstructing existing developments, and preserving existing affordable units that are otherwise threatened. The Agency will assist in the development of mixed-use complexes to create affordable housing opportunities. The Agency will also participate in land acquisition, land-cost write-down, developer recruitment, and credit enhancements or other financing mechanisms.

The Agency's housing rehabilitation program provides low interest loans of up to \$150,000 to correct health and safety hazards, increase energy conservation, and extend the useful life of an affordable owner-occupied or rental home. Examples include correcting plumbing, electrical, or roof problems, room additions, insulation, and replacing inefficient appliances. This program extends the useful life of the affordable units occupied by low and moderate-income households and improves the quality of the neighborhoods. The Agency will continue to actively pursue State and federal grant funds to leverage the housing set aside from tax increment.

The homeownership program currently makes loans available to qualified homebuyers up to \$150,000 in order to purchase a home. These loans act as assistance financing to make mortgage payments more affordable. Single family detached homes, town homes, and condominiums are eligible purchases under this program.

Section V - (15.10.B (6))

A statement of how the preliminary plan differs from and conforms to the adopted community plan, including a re-evaluation of items required by Subparagraphs 14.6.C (1) through (7), inclusive, and other items prescribed by TRPA as appropriate to deal with new or changed circumstances arising subsequent to the adoption of the community plan.

Conformity with Community Plan

The Redevelopment Plan (Plan) for the proposed Tahoe City/Gateway community will be consistent with: the community plans for areas within the boundaries of the plan; transects for areas outside community plan areas; and the Regional Plan for the Lake Tahoe Basin in effect at the time of final Redevelopment Plan approval.

The Tahoe City/Gateway Community Plan, under the updated Regional Plan, may include affordable housing as an allowed (and encouraged) use. This Preliminary Redevelopment Plan proposes special height, density and coverage considerations be given to projects that provide affordable housing, if eligible.

There are redevelopment opportunities on properties outside of the current Community Plan boundaries. This Plan proposes that those projects within an approved TRPA redevelopment area that meet the provisions specified in the adopted new Regional Plan, be exempt from the requirement to be located within a Community Plan area.

Consideration to Include Areas Outside a Community Plan Area (See Exhibit L)

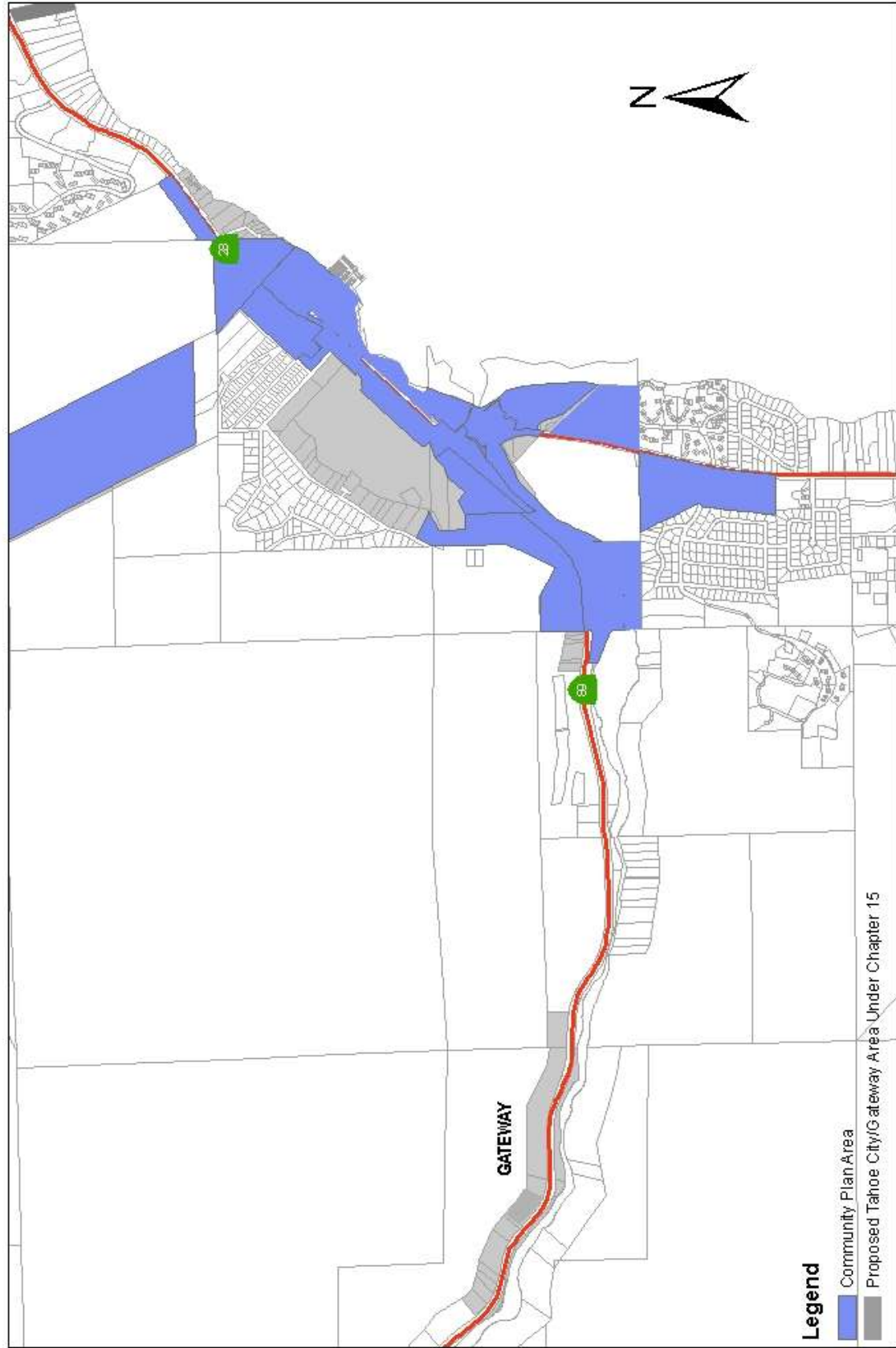
The area within the Preliminary Tahoe City/Gateway Redevelopment Plan consists of approximately 625 acres of which the Gateway section and the Tahoe City Golf Course are outside the community plan Area.

In 1994, it was determined as part of the Tahoe City Area General Plan, that the current commercial uses were not desirable and that incentives through transfers of development rights be provided to encourage commercial uses in the Gateway to relocate. That has not occurred, primarily because incentives were inadequate and receivable areas for transfers were not identified.

The Tahoe City Golf Course consists of nine holes on approximately five acres and is located outside a community plan area. Numerous studies and financial assessments have identified the need for a feasibility evaluation to determine if golf course operations or environmental mitigation, or possibly other uses is appropriate. Currently the site lacks updated BMPs and public improvements which would make it more of a contributory site to the community.

Public intervention in the above sections, would underscore the environmental, social and economic public policy direction of the new Regional Plan, and allow discretionary actions consistent with community goals.

EXHIBIT L



TAHOE CITY/GATEWAY AREA -- PROPOSED UNDER CHAPTER 15

Section VI - (15.10.B (7))

Prepare an economic feasibility and needs assessment.

Economic Feasibility Assessment

The national economy has suffered significant financial and economic setbacks over the last eighteen months, and the real estate market on the North Shore has also been affected. Real estate sales were strong in 2005 and 2006, dropped by 34% in 2007 and 15% in 2008. In 2007 the average number of days a property was for sale improved slightly from 2006 but increased by 26% in 2008 to 121 days. During the first quarter of 2009 the number of home sales is below historical numbers however the number of marketing days is comparable at 95 days.

The highest percentages of home sales have been between \$300,000 and \$900,000, that includes both primary and secondary housing sales. An informal analysis indicates a greater number of homes sold are at the high range which would indicate homes sold were for secondary use.

Below is a table which reflects the historical property tax increment received in the overall California North Lake Tahoe Redevelopment Area:

Fiscal Tax Year	Tax Increment Received*
2007-08	\$6,281,570
2006-07	\$5,549,506
2005-06	\$4,763,024
2004-05	\$3,965,388
2003-04	\$2,931,906

*Neither historical nor projected tax increment reflects charges for property tax administration fees, pass through payments, housing set-aside, or debt service

The economy of the North Tahoe area is heavily dependant upon the tourist industry; more so than other similar resort locations. The economic conditions required for a diversified economy, cost of living chief among them, are not present at this time. Redevelopment projects, supported by the County's investment in infrastructure, which attract a greater share of the tourist market such as high quality accommodations and event facilities or meet a community need, such as workforce housing, will have the greatest immediate impact on the redevelopment area.

To the extent projects encourage year-round occupancy the retail economy will be better supported. Accommodation projects (e.g., entertainment, event/conference centers), and enhanced transit connections to ski resorts will all serve to improve the non-summer draw of those commercial centers. These facilities will also offer viable alternatives to ski-area lodging, to the benefit of the region. The existing stock of visitor accommodations in Tahoe City is non-competitive with neighboring resorts.

Developing beneficial uses will require a concerted public/private effort to reduce project risk and, potentially, to offset onerous costs associated with certain high-benefit projects. Well-conceived hotel developments and associated work force housing may be a good public-private investment opportunity. The community of Tahoe City lacks high quality tourist accommodations or facilities with marketable conference or meeting facilities. For the most part the motels which line Highway 28 are in various states of outdatedness. The buildings that house the available tourist accommodations are well past their effective building life and do not inspire the increasingly sought-after and demanding tourist.

While much of Tahoe City retail reflects the successes of Placer County investment in recent years, an ongoing goal of a redevelopment strategy would be to replace outdated, under-performing retail uses with better performing ones, resulting in increased volumes in sales in key niches. There are some buildings currently housing retail uses that were not originally constructed for that purpose and lack the space and amenities required such as display windows, restrooms, appropriate ceiling heights and so on. Building locations are not conducive to shopping and lack pedestrian connectivity.

Through inclusion in the TRPA Chapter 15 redevelopment designation the Placer County Redevelopment Agency hopes to improve its ability to impact the Lake Tahoe environmental conditions, increase the viability of tourism and retail in the community, and support development of affordable workforce housing.

Section VII - (15.10.B (9))

Reasonable provisions for public participation, including notice to, and comment by, affected property owners and residents.

Public Participation Provisions

To support an emphasis on more sustainable environmental preservation and community building, concentrated communications and feedback opportunities are needed for all those who play a role including residents, business operators, developers, environmental interest groups, visitors and other stakeholders within the redevelopment plan areas. Additionally, public feedback will be sought from community business associations and Spanish speaking interest groups.

In addition to general program and project description outreach, prior to Governing Board action, the Placer County Redevelopment Agency will initiate one or more public outreach meetings with the North Tahoe Regional Advisory Council in order to receive feedback and recommendation regarding a program and/or project, including vision, processes and benefits.

This comprehensive public outreach will assist to clarify the intentions, refine an implementation plan, and ensure an informed public.

APPENDIX

ADVERSE CONDITIONS STUDY:

TAHOE CITY/GATEWAY

ADVERSE CONDITIONS STUDY:

Tahoe City/Gateway

I. PURPOSE OF THE REPORT

Chapter 15 of the Tahoe Regional Planning Agency (TRPA) Code of Ordinances sets forth the process for adoption of redevelopment plans pursuant to the Goals and Policies of TRPA and as provided for in the plan area statements. Section 15.1 of the TRPA Code of Ordinances dictates that the applicability of Chapter 15 shall apply only to redevelopment plans which are in eligible areas; are predominantly urbanized, blighted; and designated in the applicable plan area statement as eligible for redevelopment plan, etc. This Adverse Conditions Study provides the background and data to evidence the blighted nature of the proposed Tahoe City/Gateway Preliminary Redevelopment Plan (Plan Area).

II. HISTORY AND BACKGROUND

The Placer County Redevelopment Agency (Agency) was formed in April 1991 pursuant to California Health and Safety Code Section 33300 *et seq.* A five-member board, which also serves as the Placer County Board of Supervisors, governs the Agency. The purpose of the Agency is to eliminate blight and support environmental improvements within the Project Area, by strengthening its economic base through building public infrastructure, supporting facility improvements, commercial/industrial development and rehabilitation, as well as providing affordable housing development and rehabilitation.

The gateway area suffers from a physical constraint to growth and generally lacks any BMPs that meet environmental threshold carrying capacities. The boundaries have been set to maximize the effectiveness of redevelopment as a tool for the revitalization of the area. The boundaries have been structured to include remaining substandard and deteriorated commercial and industrial buildings as well as residential buildings that are substandard and in need of rehabilitation.

Agency staff surveyed a sampling of the parcels within the Plan Area. Agency staff utilized this information to further refine the area boundaries to what is proposed within this report.

Agency staff reviewed several existing reports to support its conclusions noted within this report including The Preliminary North Lake Tahoe Redevelopment Project Area report dated March 1993 prepared by John B. Dykstra & Associates which was prepared for the adoption of the North Lake Tahoe Redevelopment Project Area; the North Lake Tahoe Redevelopment Area Report of Recommended Policy, Code and Regulation Changes to Facilitate Redevelopment Opportunities, dated December 15, 2005 and prepared by Design Workshop, Inc.; and the Final Report of the Implementation Strategy for the Redevelopment of Kings Beach and Tahoe City dated May 14, 2007 and prepared by Economic and Planning Systems for the Agency.

Agency staff focused its primary review on public infrastructure conditions or lack thereof, exterior conditions of each parcel surveyed as well as the usefulness of each parcel in comparison to current market standards for the respective type of use. Agency staff did not perform interior inspections of each property.

Agency staff used the information to compile a database of general observations which is summarized in the Building and Site Conditions Survey Results (Attachment A). This blight summary delineates by street, the total number of parcels, the number of blighted parcels and the percentage of blighted parcels. Following the survey results are photos taken around the proposed redevelopment area that exemplify the blight present (Attachment B).

III. EXISTING CONDITIONS SURVEY RESULTS

From June to August 2009, Agency staff performed a windshield survey of parcels within the proposed areas to determine if those parcels meet TRPA's definition of blight. The survey is a more informal survey and does not include interior property inspection. It is a visual assessment of conditions based upon a certain set of criteria whereby Agency staff photographed properties and recorded general observations of the properties surveyed.

Section 15.2.B of TRPA's Code of Ordinances sets forth TRPA's definition of blight, which is as follows:

Blighted Area: A blighted area is characterized by properties which suffer from economic dislocation, deterioration or disuse because three or more of the following factors cause a reduction or lack of proper utilization of the area to such an extent that the blight constitutes a serious physical, social, environmental or economic burden on the community which cannot reasonably be expected to be reversed or alleviated by private enterprise acting alone:

- (1) The existence of parcels of irregular form and shape and inadequate size proper usefulness and development.
- (2) The layout of parcels in disregard of the contours and other topographical or physical characteristics of the ground and surrounding conditions.
- (3) The existence of inadequate public improvements, public facilities, open space, and utilities which cannot be remedied by private or governmental action without redevelopment.
- (4) A prevalence of depreciated values, impaired investments, and social and economic maladjustment.

- (5) The existence of substandard public or private facilities or improvements, insufficient open space, poor scenic quality, insufficient transportation systems, air quality problems, or insufficient water quality protection systems, such that there is non-compliance with the applicable environmental threshold carrying capacities.

Section 15.2.B. of the TRPA Code of Ordinances sets forth several criteria for a blighted area by TRPA. The following provides a description of TRPA's criteria and supporting data concluded by Agency staff during its most recent survey of parcels within the proposed Tahoe City/Gateway area to indicate that these factors still exist within the proposed boundaries.

General

Several buildings and public facilities were poorly constructed and / or constructed before the adoption of the TRPA Code of Ordinances, and do not comply with updated BMPs or the environmental threshold carrying capacities. This is particularly evident in one large commercial property fronting Highway 28 in the gateway area. In addition, Agency staff observed in the proposed area, a general lack of infrastructure, missing storm drain improvements, and odd shaped parcels which pose challenges to private development. While there are several properties that are improved and upgraded from a bricks and mortar perspective, most properties in the proposed area, were found to lack the private sector investment needed to mitigate deterioration and extend the useful life of the property.

Section 15.2.B. of the TRPA Code of Ordinances sets forth several criteria for a blighted area by TRPA. The following provides a description of TRPA's criteria and supporting data concluded by Agency staff during its most recent survey of parcels within the Plan Area to indicate that these factors still exist within the proposed Plan Area.

The existence of parcels of irregular form and shape and inadequate size proper usefulness and development

The proposed Tahoe City Plan Area is a linear development area with nearly all of the primary amenities and services located along the highway frontage. Tahoe City Gateway area caters to light industrial uses and is located on the outskirts of town. The area is constrained by its position at the bottom of a hill and across from the Truckee River.

The layout of parcels in disregard of the contours and other topographical or physical characteristics of the ground and surrounding conditions

Survey results noted that industrial used fronting along the Truckee River may not be in the most suitable locations. River frontages should be encouraged for development of more public and / or recreational uses. The Tahoe City Gateway is located in a hazardous area where shale falling from the adjacent hill poses a threat. The lakefront area is largely built out with tourist serving uses.

The existence of inadequate public improvements, public facilities, open space, and utilities which cannot be remedied by private or governmental action without redevelopment

The residential areas lack storm drain improvements; however the commercial frontages have sidewalks in place. The harsh weather conditions in the winter pose a problem with maintenance as curbs have been torn up from repeated snow plowing. Several of the tourist accommodation buildings are old and appear to be constructed prior to TRPA Code of Ordinances and are assumed to lack adequate environmental improvements to meet carrying capacities.

A prevalence of depreciated values, impaired investments, and social and economic maladjustment

Adverse economic conditions are evidenced by depreciated values, impaired investments and economic maladjustment. The Tahoe Basin is known for its high construction costs. High construction costs make it difficult for private sector investment.

A report prepared by Economic & Planning Systems noted that demand for local retail services has decreased and many Tahoe City businesses are struggling for survival. Some properties have been abandoned, leaving them vacant and blighted, while others have continued operations in facilities in need of rehabilitation or replacement. Still other owners have continually upgraded their properties in hopes of drawing both desirable retail tenants, and increasing their customer base. The result is that dedicated land owners are forced to survive adjacent to properties that are either abandoned or in disrepair.

One large retail development located in Tahoe City's town center stands out as blighted, visually unappealing and negatively impacts the character of the commercial core. Additionally, several substandard commercial buildings and tourist accommodation units were noted. These tourist

accommodation buildings were older and outdated and operated at a competitive disadvantage to meet the current consumer's demands.

The small industrial area, commonly known as the "Gateway" is outside the commercial core along Highway 89. This area currently occupies land that is adjacent to environmentally sensitive zone (Truckee River). There are several non-conforming uses present with few BMPs.

The existence of substandard public or private facilities or improvements, insufficient open space, poor scenic quality, insufficient transportation systems, air quality problems, or insufficient water quality protection systems, such that there is non-compliance with the applicable environmental threshold carry capacities.

As mentioned above, the proposed back-street areas lack storm drain improvements; however the commercial frontages have sidewalks in place. The harsh weather conditions in the winter pose a problem with maintenance, as some curbs have been torn up from repeated snow plowing. A few of the tourist accommodation buildings are old and appear to be constructed prior to TRPA Code of Ordinances and are assumed to lack adequate environmental improvements to meet carrying capacities.

The lakeside of Tahoe City is largely built out, with a large beach and park area operated by the Tahoe City Public Utility District. The area is served by the Tahoe Area Regional Transit system. There is a bike trail throughout most of the town, however it is disconnected by a condo/timeshare development near the Wye. The Wye area has a high degree of vehicular, pedestrian and bicycle traffic which is congested during this summer peak tourist months.

Attachment A

Building Conditions Survey Results

Tahoe City Building/Site Conditions Survey Results

Street Name/Location	Number of Parcels	Number of Blighted Parcels	Percentage of Blighted Parcels
Highway 28 - North Side	50	43	86.0%
Highway 28 - South Side	26	8	30.8%
Grove Street - West Side	3	0	0.0%
Fairway Drive - East	19	1	5.3%
River Road	9	9	100.0%
West Lake Boulevard - West Side	7	7	100.0%
Macinaw Road	7	7	100.0%
Tahoe City Industrial Area	2	2	100.0%
Tahoe City Golf Course	5	5	100.0%
TOTAL	128	82	64.1%

Attachment B

Tahoe City/Gateway Community Photos

Tahoe City Community Pictures

Non-conforming recreational use
North of Highway 28



Non-conforming motel conversion along
Highway 28 near Wye



Along Highway 89 near Tahoe City
Gateway

Along Highway 89 near Tahoe City
Gateway



West of Fairway Drive along
Highway 89



East of Fairway Drive along
Highway 89

West end of Tahoe City along Highway 28;
depicting non-conforming land use



East end of Tahoe City along Highway 28;
depicting typical tourist accommodation
units

Tahoe City Industrial Area



Tahoe City Wye